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SUBJECT: MINISTRY OF DEFENSE FACES UNCERTAIN FUTURE

REF: A. 06 MANAGUA 2161 **1B.** 06 MANAGUA 0885

Classified By: Ambassador Paul Trivelli for reasons 1.4 (b and d)

- $\P1$ . (C) Summary: Embassy contacts fear that President Daniel Ortega's failure to name a Minister of Defense before his inauguration presages the eventual dismantling/undermining of the Ministry, or represents a stall tactic to eventually ease Lenin Cerna's wife, Marisol Castillo, into the job over the Army's objections. Senior Ministry officials were told on January 8 to turn over all files to an army colonel and a minor FSLN-affiliated functionary who was suddenly elevated to the position of "temporary administrator" of the Ministry. Anxious officials have begun searching for alternative employment, although the Ministry can scarcely afford the further loss of civilian expertise. End Summary.
- 12. (C) Ex-Minister of Defense Jose Adan Guerra, who maintains close contacts with senior civilian and military officials in Nicaragua's defense sector, confirmed to DCM during a recent meeting that Ortega decided to name Juan Umana as the interim head of the Ministry of Defense after military officials rejected the informally proposed nomination of Marisol Castillo, the wife of former Sandinista intelligence chief Lenin Cerna. Umana was the technical secretary for the Ministry's de-mining commission and the Sandinistas former DCM in Moscow during the 1980s. Guerra does not like or trust Umana, who he called a "mole" for the FSLN.
- 13. (C) Guerra believes the FSLN plans to reduce the authority of the Ministry and bring it under the control of the Presidency, with Ortega serving as the de facto Minister. The party would then submit legislation to abolish the Ministry of Defense to make bureaucratic room for a new Ministry of Energy. Guerra mentioned that Nicaraguan law establishes a maximum of 12 ministries. (Note: Law 290 specifies 12 ministries, although the Ministry of Defense is named as one of them. End Note.) According to Guerra, the Army would gladly trade more direct control by Ortega in exchange for the erasure of the civilian control and oversight now exercised by the Ministry.
- 14. (C) In separate conversations with poloff, current Ministry officials agreed with Guerra's assessment. Inter-Institutional Affairs Director Silvio Diaz claimed that the FSLN is "giving us to the Army," and commented that all senior Ministry officials were ordered by outgoing Minister Avil Ramirez to turn over all of their files to Umana and Secretary General of the High Command Colonel Jose Gutierrez.
- 15. (C) Legal Advisor Gerardo Bravo said that his military

contacts were acting "very secretive and closed" regarding the selection of the new minister, although he heard from some contacts that Ortega might name armed forces chief General Moises Omar Halleslevens to the position. Bravo noted, however, that such a nomination would require reform to the Military Code, as officers are not currently permitted to engage in other public duties. (Note: Milgroup and DAO contacts confirmed that Halleslevens was indeed offered the position in December, but declined. End Note.)

- 16. (C) Guerra, Diaz, and Bravo concurred that the FSLN's actions will likely undermine civilian oversight over the military, budget transparency, and other goals outlined in the Defense White Paper that the USG helped fund (ref A). Guerra blamed Ramirez and others in the outgoing administration for having "purged and sidelined" reform-minded officials, thereby playing into the hands of the Sandinistas. Bravo commented that he is still working on a draft of a "National Defense Law" that would strengthen the institutional capabilities of the Ministry as per the recommendations of the White Paper, which he will present to the new administration.
- 17. (C) Javier Melendez, director of a local think tank dedicated to public policy and security studies, agreed that Ortega will undermine the Ministry, but blamed Ramirez and outgoing President Bolanos for "turning the Ministry into a husk" to curry favor with the Army. Melendez said as much to a reporter from a major Nicaraguan daily, who is planning to publish his remarks on January 14. Melendez also plans to communicate with regional defense and security experts who have consulted with previous administrations and shaped the development of the Ministry to urge them to send a public letter to Ortega asking the President to maintain and develop the Ministry as a viable civilian institution.
- 18. (C) Comment: Although all of the major parties pledged to support the White Paper during a conference last September (ref A), the FSLN was reluctant to unequivocally back precepts related to the Ministry's authority over defense policy and budgets. Ortega is unlikely to name an independent minister or strengthen the Ministry in any way that would impede his personal influence over the armed forces, and will probably stall or scrap altogether the advances made under Guerra. We also note that in his inauguration ceremony remarks, Ortega pointedly observed that the Army has its roots in the revolutionary struggle of the 1970s. Thanks to Ramirez, most of the defense experts who worked on White Paper development were already driven out of the Ministry. Nevertheless, we will continue to encourage the new administration to respect the recommendations in the White Paper. TRIVELLI